

Services affiliate shall comply with the Commission's rules regarding tariffs, including the Commission's rule that non-dominant telecommunications carriers that provide interstate exchange access services are subject to a permissive detariffing requirement.

10. The Performance Measurements required by Section VII of these Conditions shall be reported separately to the Commission, on a proprietary basis and in accordance with Paragraph 1 of Attachment A, by each SBC/Ameritech incumbent LEC for each separate Advanced Services affiliate required by this Section I to the extent that such Performance Measurements are applicable. If the Commission orders that the SBC/Ameritech incumbent LECs must provide line sharing to unaffiliated providers of Advanced Services, then within 10 business days of the effective date of such an order SBC/Ameritech shall propose to the Chief of the Common Carrier Bureau an additional performance measurement, or an additional sub-measurement, to measure SBC/Ameritech's performance with respect to the provisioning of line sharing. Within 90 days of receiving written notice that the Chief of the Common Carrier Bureau agrees that a line sharing measurement should be implemented, SBC/Ameritech shall implement the new measurement consistent with the provisions of Section VII.

11. In setting the annual bonuses paid to officers and management employees of a separate Advanced Services affiliate, SBC/Ameritech shall give substantial weight to the performance of the separate Advanced Services affiliate.

12. Separate Advanced Services Affiliate Sunset Provisions. The requirements of this Section I requiring SBC/Ameritech to provide Advanced Services through one or more separate affiliates, as described in this Section, shall terminate immediately upon any of the following events:

a. In each SBC/Ameritech State, the date that is the later of (i) 42 months after the Merger Closing Date or (ii) 36 months after the incumbent LEC ceases to process trouble reports for the separate Advanced Services affiliate on an exclusive basis under the provisions of Subparagraph 3h.

b. The date upon which (i) legislation enacted by the U.S. Congress that specifically prohibits the Commission from requiring incumbent LECs to establish separate affiliates for the provision of Advanced Services becomes law, and (ii) the Commission modifies its rules and regulations in a manner that materially changes the substance of what is covered in this Section I (e.g., if the Commission were to establish rules that prohibit an incumbent LEC from providing joint marketing to ~~an~~ **[the separate Advanced Services]** affiliate on an exclusive basis, or rules that prohibit an incumbent LEC from providing OI&M services to ~~an~~ **[the separate Advanced Services]** affiliate on a non-discriminatory basis, either such change would be an example of a change that would be considered a material change); or

c. The date upon which a final and non-appealable judicial decision by a court of competent jurisdiction determines that, as a result of one or more of the permitted activities between the SBC/Ameritech incumbent LEC and the separate Advanced Services affiliate described in Subparagraphs 3a-f, the separate Advanced Services affiliate must be deemed a successor or assign of the incumbent LEC for the purposes of applying 47 U.S.C. §§153(4) or 252(h). However, such a judicial decision that is based solely on some other conduct of, or relationship between, the SBC/Ameritech incumbent LEC and/or the separate Advanced Services affiliate shall not be a basis for terminating any of the separate affiliate provisions of this Section I.

13. Upon the date that SBC/Ameritech determines, as a result of one or more of the provisions of Paragraph 12 above, to no longer provide Advanced Services through a separate affiliate in a particular state, then SBC/Ameritech shall be required to comply with the following provisions in that state until the date that is 48 months after the Merger Closing Date:²⁰

a. The Discounted Surrogate Line Sharing Charge provisions of Paragraphs 8b and 14, if the SBC/Ameritech incumbent LEC uses Interim Line Sharing (as defined in Paragraph 3d) to provide new activations of ADSL service;²¹

b. The Advanced Services OSS discount provisions of Paragraph 18;

c. The SBC/Ameritech retail operations within the incumbent LEC shall use the EDI interface discussed in Paragraph 15c, below, for processing a substantial majority (i.e., at least 75 percent of pre-order inquiries and at least 75 percent of orders) of Advanced Services;

d. SBC/Ameritech retail operations within the incumbent LEC shall only use those OSS for the provisioning of Advanced Services that are available to unaffiliated telecommunications carriers (except for ADSL service provisioned using Interim Line Sharing);

e. The local loop information provisions of Paragraphs 19 and 20;

f. The incumbent LEC shall provide unaffiliated telecommunications carriers with the same OI&M services at the customer premises that it provides for its own retail operations in the same SBC/Ameritech State with respect to the offering of Advanced Services; and

g. The incumbent LEC shall be required to provide the enhanced OSS interfaces for provisioning Advanced Services as discussed in Paragraph 15, below.

²⁰ The Commission takes no position as to whether any SBC/Ameritech decision to terminate provision of Advanced Services through a separate affiliate would comply with the Communications Act, federal antitrust laws, or any other legal statute, rule or principle.

²¹ Nothing in this Condition permits SBC/Ameritech to engage in exclusive Line Sharing by its affiliate, or to refuse to permit Line Sharing by unaffiliated providers of Advanced Services, for 48 months after the Merger Closing Date.

II. Discounted Surrogate Line Sharing Charges²²

14. The terms for Surrogate Line Sharing Charge discounts offered by SBC/Ameritech to unaffiliated providers of Advanced Services for inclusion in interconnection agreements shall reflect the following:

a. In any geographic area where the SBC/Ameritech incumbent LEC either (i) provides Interim Line Sharing for new activations of ADSL service to a separate Advanced Services affiliate per the provisions of Paragraph 8, above, or (ii) utilizes Interim Line Sharing to provide new activations of ADSL service provided by the incumbent LEC, the incumbent LEC shall charge unaffiliated providers of Advanced Services the same Surrogate Line Sharing Charges as described in Paragraph 8 for use of an unbundled local loop in the same geographic area, where: (i) the unaffiliated provider purchases the unbundled local loop to provide Advanced Services only and does not use the unbundled local loop to provide any voice grade service; (ii) the unaffiliated provider's Advanced Services are provided to an end user customer to whom the incumbent LEC provides voice grade service, on either a retail or wholesale basis, at the same premises; and (iii) the unaffiliated provider's Advanced Services are within a spectral mask that would, if line sharing were available, be compatible with the incumbent LEC's voice grade service and the filters used by the incumbent LEC to provide Interim Line Sharing. The compatibility standard in the previous sentence shall be presumptively met if the unaffiliated provider's Advanced Services utilize a technology for which the spectral mask complies with an industry-recognized standard that would be compatible with both (i) the incumbent LEC's voice grade service, and (ii) the filters specified in Annex E to ANSI standard T1.413-1998. For any other technology, the unaffiliated provider of Advanced Services may meet the compatibility standard by showing that the technology (i) would be compatible with the incumbent LEC's voice grade service and (ii) is compatible with the filters specified in Annex E to ANSI standard T1.413-1998.

²² In no manner shall these Conditions be construed as Commission approval of the lawfulness of these Surrogate Line Sharing Charges. In the event SBC/Ameritech offers Surrogate Line Sharing *in lieu* of providing actual line sharing to unaffiliated carriers on the Merger Closing date, SBC/Ameritech does so at its own risk and is subject to any decision by a court of competent jurisdiction, any state commission or this Commission as to the lawfulness of any such arrangement under the Communications Act, the federal antitrust statutes, or any other provision of federal, state or local law. By approving the merger subject to these Conditions, the Commission explicitly states that the primary jurisdiction doctrine should not apply to disputes between SBC/Ameritech and any party with regard to this subject. In particular, the existence of these Conditions and Commission approval of these Conditions may not be used by SBC/Ameritech or any court to implicate or invoke the primary jurisdiction doctrine with regard to any case in which a party alleges that SBC/Ameritech refusal to provide line sharing violates any provision of federal, state or local law. In addition, the Commission notes that Section 207 provides a private right of action for violations of the Communications Act of 1934, as amended, and that the existence of these Conditions and Commission approval of these Conditions in no way affects any party's rights under Section 207 to recover damages for failure to provide line sharing.

b. Surrogate Line Sharing Charges shall not apply retroactively to charges for an unbundled loop incurred prior to the effective date of the Surrogate Line Sharing Charges, but will apply to charges incurred after the effective date of the Surrogate Line Sharing Charges for both (i) recurring charges for qualifying loops in-service, and (ii) recurring and non-recurring charges for new installations of qualifying loops. SBC/Ameritech may provide the Surrogate Line Sharing Charges discounts through credits, true-ups, or other billing mechanisms, provided, however, that such credits, true-ups or other mechanisms are applied within 60 days of the initial billing for the service. To obtain the Surrogate Line Sharing Charges, a telecommunications carrier must provide written notification (which may include e-mail) to SBC/Ameritech identifying the unbundled loops that it is using or will use to provide a qualifying Advanced Service. For unbundled loops ordered after the effective date of the Surrogate Line Sharing Charges, notification must be given at the time the order is placed. For unbundled loops in service prior to the effective date of the Surrogate Line Sharing Charges, the Surrogate Line Sharing Charges will only apply to unbundled loops for which such notification is received within 30 days of the ~~{effective date of}~~ **[date that SBC/Ameritech notifies the telecommunications carrier that]** the Surrogate Line Sharing Charges~~{. The discounted}~~ **[are in effect. Not less than 3 business days after the availability of]** Surrogate Line Sharing Charges ~~{provided by SBC/Ameritech to unaffiliated providers of Advanced Services shall end in a geographic area in an SBC/Ameritech State on the date when SBC/Ameritech begins providing line sharing to such unaffiliated providers in that same geographic area}~~, **SBC/Ameritech shall provide notice of that availability to telecommunications carriers having unbundled loops in service as of the effective date of the Surrogate Line Sharing Charges].**

c. Unaffiliated providers of Advanced Services that obtain unbundled local loops for the Surrogate Line Sharing Charges shall, on a quarterly basis, certify to SBC/Ameritech and the appropriate state commission that they are using all unbundled local loops provided at the Surrogate Line Sharing Charges in accordance with Subparagraph a above. SBC/Ameritech shall have the right to hire, at its own expense, an independent third-party auditor to perform all necessary audits and inspections needed to assure that unbundled local loops provided for the Surrogate Line Sharing Charges are used in accordance with Subparagraph b above. Unaffiliated providers of Advanced Services that obtain unbundled local loops for the Surrogate Line Sharing Charges shall agree to cooperate in the performance of such audits and inspections. Audit information shall be restricted to SBC/Ameritech regulatory, legal, and/or wholesale personnel, and SBC/Ameritech shall prohibit those personnel from disclosing audit-related, customer-specific or company-specific proprietary information to SBC/Ameritech retail personnel. If SBC/Ameritech conducts any audit of an unaffiliated Advanced Service provider's use of unbundled local loops in a state, under this Subparagraph c, SBC/Ameritech's annual compliance report for the calendar year in which the investigation was concluded shall describe the uses of shared loops by SBC/Ameritech's separate Advanced Services affiliate(s) in the same state.

d. Any unaffiliated provider of Advanced Services found by the appropriate state commission to have violated the use restrictions of Subparagraph a or that fails to cooperate in an audit may be denied the Surrogate Line Sharing Charges on any unbundled local loop for which the use restrictions or audit provisions are violated. In addition, any such provider that intentionally and repeatedly violates the use restrictions of Subparagraph a may be denied the Surrogate Line Sharing Charges for unbundled local loops ordered or installed after the date of such a finding by a state commission.

e. SBC/Ameritech shall waive all non-recurring charges for new installations of line sharing on behalf of unaffiliated providers of Advanced Services, where such new installations are (i) ordered ~~not less~~ **[no later]** than 60 days after the date on which line sharing is offered to unaffiliated providers of Advanced Services in the geographic area ("the line sharing date"), with ~~an~~ **[a requested]** installation date of no later than 90 days after the line sharing date and (ii) installed to replace an unbundled local loop provided at the Surrogate Line Sharing Charges at the same customer premises to the same provider of Advanced Services. **[In addition, for line sharing installations meeting the requirements of the previous sentence, Surrogate Line Sharing Charges shall continue to apply to the unbundled loop until SBC/Ameritech has completed all work necessary for the conversion to line sharing to be completed.]** Unless the Commission establishes other notification requirements for deployment of line sharing, SBC/Ameritech shall provide unaffiliated providers of Advanced Services not less than 60 days advance notice of the line sharing date.²³

III. Advanced Services OSS²⁴

15. SBC/Ameritech shall provide telecommunications carriers the following options for pre-ordering and ordering components used to provide digital subscriber line ("xDSL") and other Advanced Services (Section I of these Conditions):

²³ The Commission understands that his Paragraph 14e waiver of non-recurring charges includes waiver of all termination charges and other recurring and non-recurring charges for the unbundled loop provided at the Surrogate Line Sharing Charges.

²⁴ In no manner shall these Conditions be construed as Commission approval of the lawfulness of the Advanced Services OSS currently offered by SBC/Ameritech. See Footnote 1 supra. In particular, SBC/Ameritech's implementation of these OSS Plans does not limit either the Commission's or the states' authority regarding OSS, in the context of applications for in-region, interLATA relief under Section 271 of the Telecommunications Act of 1996. In the event SBC/Ameritech offers on the Merger Closing Date interim measures prior to deploying and developing final Advanced Services OSS, SBC/Ameritech does so at its own risk and is fully subject to any finding or decision by a court of competent jurisdiction, any state commission or this Commission as to the lawfulness of any such arrangement under the Communications Act, the federal antitrust statutes, or any other provision of federal, state or local law. By approving the merger subject to these Conditions, the Commission explicitly states that the primary jurisdiction doctrine should not apply to disputes between SBC/Ameritech and any party with regard to this subject. In particular, the existence of these Conditions and Commission approval of these Conditions may not be used by SBC/Ameritech or any court to implicate or invoke the primary jurisdiction doctrine with regard to any case in which a party alleges that SBC/Ameritech refusal to provide or delay in providing Advanced Services OSS violates any provision of federal, state or local law. In addition, the Commission notes that Section 207 provides a private right of action for violations of the Communications Act of 1934, as amended, and that the existence of these Conditions and Commission approval of these Conditions in no way affects any party's rights under Section 207 to recover damages for failure to provide or delay in providing Advanced Services OSS.

a. Until SBC/Ameritech develops and deploys enhancements to its existing Datagate and EDI interfaces as described in Subparagraph 15c below: (i) SBC/Ameritech shall provide telecommunications carriers in the SBC/Ameritech Service Area within the SBC States, except for the SBC/Ameritech Service Area within Connecticut, not later than 180 days after the Merger Closing Date, with access to the same pre-order interface(s) utilized by SBC/Ameritech's retail operations (including the retail operations that will be part of the separate Advanced Services affiliate(s) described in Section I) in those states to obtain theoretical local loop length information²⁵ or, in the alternative, SBC/Ameritech's retail operations shall utilize the same Datagate and/or Verigate pre-order interfaces that are available to unaffiliated telecommunications carriers to obtain theoretical local loop length information, and (ii) SBC/Ameritech shall provide unaffiliated telecommunications carriers access to Ameritech's existing EDI interface for ordering within each of the Ameritech States.

b. SBC/Ameritech shall provide unaffiliated telecommunications carriers with direct access to SORD, and the Ameritech and SNET equivalent service order processing systems, for pre-ordering and ordering xDSL and Advanced Services, as described in Paragraph 29 below.²⁶

c. Within 14 months after the Merger Closing Date (assuming the duration of Phase 2 described below is no longer than ~~{90}~~ [30] days), SBC/Ameritech shall develop and deploy, in the SBC/Ameritech Service Area, except for the SBC/Ameritech Service Area within Connecticut, in advance of industry standards, both enhancements to the existing Datagate or EDI interfaces for pre-ordering xDSL and other Advanced Services components, and enhancements to the existing EDI interface for ordering xDSL and other Advanced Services components. Both interfaces are to be used in common by SBC/Ameritech's incumbent LEC service representatives (when engaged in permitted joint marketing), by the separate Advanced Services affiliate(s), and by unaffiliated telecommunications carriers. In Connecticut, these enhancements to the existing Datagate or EDI interfaces shall be developed and deployed in conjunction with the introduction of the uniform application-to-application OSS interfaces described in Paragraph 26 below. In the interim, SBC/Ameritech may continue to use its existing interfaces for the pre-ordering and ordering of xDSL and other Advanced Services components, as they may be updated during the interim period. SBC/Ameritech shall provide telecommunications carriers authorized to provide local services in the SBC/Ameritech Service Area ("CLECs") with 12 months advance notice of any plans to no longer make the enhancements available; provided, however, that this notice requirement shall expire 48 months after the Merger Closing Date. Milestones applicable to the development and deployment of enhancements to the existing Datagate and EDI interfaces as set forth above are as follows:

(1) Phase 1 – SBC/Ameritech shall (i) complete a publicly available Plan of Record, which shall consist of an overall assessment of SBC's and Ameritech's existing Datagate and EDI interfaces, business processes and rules, hardware capabilities, data capabilities, and differences, and SBC/Ameritech's plan for developing and deploying enhancements to the existing Datagate or EDI interfaces for pre-ordering xDSL and other Advanced Services components and

²⁵ This requires equality in interface. The type of data and information to which Advanced Services providers are entitled has been and will be established by the Commission in other proceedings.

²⁶ This Condition does not relieve SBC/Ameritech of its non-discrimination obligations.

enhancements to the existing EDI interface for ordering xDSL and other Advanced Services components, and (ii) notify all unaffiliated telecommunications carriers that have a current interconnection agreement with SBC/Ameritech of the Plan of Record. The target date for completion of Phase 1 is 60 days after the Merger Closing Date.

(A) Not later than 3 business days after the target date, SBC/Ameritech shall file a notice regarding its satisfaction of this target with the Secretary of the Commission. SBC/Ameritech shall pay \$10,000 per business day per state in voluntary payments to the U.S. Treasury if the Chief of the Common Carrier Bureau determines in writing (after any appeals to the Commission, which may be taken) that SBC/Ameritech has failed to submit a Plan of Record that is in substantial compliance with the requirements of this Paragraph by the target date in any SBC/Ameritech State. Voluntary payments for all SBC/Ameritech States shall not exceed total of ~~(\$100,000)~~ **[\$110,000]** per business day for a failure to submit a Plan of Record that is in substantial compliance with the requirements of this Paragraph. The pendency of proceedings under this Subparagraph shall not delay the commencement of Phase 2 after the target date for Phase 1.

(B) If, ~~within~~ 90 days after the Merger Closing Date, one or more CLEC(s) ~~requests~~ **[has requested]** enhancements to SBC/Ameritech's existing Datagate or EDI interfaces that are different from what is contained in the Plan of Record, ~~then~~ SBC/Ameritech shall **[immediately]** begin Phase 2. If, ~~within~~ 90 days after the Merger Closing Date, no CLEC ~~requests~~ **[has requested]** enhancements to SBC/Ameritech's existing Datagate or EDI interfaces that are different from what is contained in the Plan of Record, then Phase 2 will be considered completed and SBC/Ameritech shall file a notice with the Secretary of the Commission (within 3 business days after the date that is 90 days after the Merger Closing Date) and begin to develop and deploy the enhancements contained in the Plan of Record, pursuant to Phase 3 below.

(2) Phase 2 – SBC/Ameritech shall work collaboratively with CLECs, in a single series of workshop sessions (in multiple locations, if necessary), to obtain written agreement on enhancements to the existing Datagate or EDI interfaces identified in the Plan of Record, and a change management process, including a 12 month forward-looking view of process changes and deployment schedule. The target date for completion of Phase 2 is 30 days after the ~~target date for completion~~ **[start]** of Phase ~~1~~ **[2]** if there is a written agreement, or ~~90~~ **[30]** days after the ~~target date for completion~~ **[start]** of Phase ~~1~~ **[2]** if Phase 2 issues are sent to an arbitrator for resolution. Successful completion of Phase 2 is dependent upon the full cooperation of all participants in consummating a written agreement with SBC/Ameritech on the work to be done. The Chief of the Common Carrier Bureau shall try to assist and encourage the parties to reach a written agreement. If SBC/Ameritech and all of the CLECs participating in the workshop reach a written agreement, SBC/Ameritech shall file a copy of that agreement with the Chief of the Common Carrier Bureau and proceed with Phase 3. If SBC/Ameritech and all of the CLECs participating in the workshop cannot reach a written agreement within 90 days after the start of Phase 2, SBC/Ameritech shall and participating CLECs may notify the Chief of the Common Carrier Bureau and submit a list of the remaining unresolved issues in dispute~~-, and~~**[.]** SBC/Ameritech shall **[at the same time]** submit a plan for development and deployment of enhancements to the existing Datagate or EDI interfaces for pre-ordering xDSL and other Advanced Services components, and enhancements to the existing EDI interface for ordering xDSL and other Advanced Services components that incorporates what was agreed to with the CLECs in the workshop sessions. The Chief of the Common Carrier Bureau shall (a) direct SBC/Ameritech to implement the plan for development and deployment of enhancements to the existing Datagate or EDI interfaces for pre-ordering xDSL and other Advanced Services components, and enhancements to the existing EDI

interface for ordering xDSL and other Advanced Services components as proposed by SBC/Ameritech in its entirety, (b) authorize SBC/Ameritech and the CLEC(s) to submit the remaining unresolved issues in dispute to consolidated binding arbitration, or (c) extend the collaborative period to continue efforts to obtain a written agreement. If SBC/Ameritech and all of the CLECs participating in the workshop do not reach a written agreement in Phase 2, in no event shall work begin in Phase 3 until SBC/Ameritech is directed by the Chief of the Common Carrier Bureau to implement the plan for development and deployment of enhancements to the existing Datagate and EDI interfaces as proposed by SBC/Ameritech in its entirety, or SBC/Ameritech is directed by the Chief of the Common Carrier Bureau to arbitrate the remaining unresolved issues in dispute and SBC/Ameritech receives the arbitrator's decision. Any such consolidated binding arbitration shall be conducted before an independent third-party arbitrator nominated by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, in consultation with subject matter experts selected by the arbitrator from a list of 3 firms supplied by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, which may include Telcordia Technologies, and shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The Chief of the Common Carrier Bureau shall direct the arbitrator that the arbitration will last no more than 60 days, unless the Chief extends that deadline. SBC/Ameritech shall pay 50 percent of the costs of the arbitrator and expert(s), and the CLECs that are parties to the disputed issues shall pay 50 percent of the arbitrator and expert costs.

(3) Phase 3 – SBC/Ameritech shall develop and deploy, using a phased-in approach, the enhancements to the existing Datagate or EDI interfaces for pre-ordering xDSL and other Advanced Services components, and enhancements to the existing EDI interface for ordering xDSL and other Advanced Services components consistent with the written agreement obtained in Phase 2 or the arbitrator's decision in Phase 2. To the extent that SBC/Ameritech has completed negotiation of a uniform change management process in accordance with Paragraph 32, SBC/Ameritech shall follow that uniform change management process in Phase 3. The target date for completion of Phase 3 is 10 months after completion of Phase 2, with the exception of Connecticut where the target date shall be consistent with that for the deployment of the uniform application-to-application OSS interfaces described in Paragraph 26 below. The target dates in Phase 3 shall begin to run on the date the plan for Phase 3 is finalized, which may be the date of execution of the written agreement in Phase 2, the date on which the Chief of the Common Carrier Bureau directs SBC/Ameritech in writing to implement SBC/Ameritech's plan in its entirety, or the effective date of a final decision by the arbitrator in Phase 2 resolving all outstanding issues, whichever date is applicable. Within 3 business days of the target date, SBC/Ameritech shall file a notice regarding its satisfaction of this target with the Secretary of the Commission.

(A) If a CLEC contends that SBC/Ameritech has not developed and deployed enhancements to the existing Datagate or EDI interfaces in substantial compliance with the written agreement obtained in Phase 2, or has not complied with the arbitrator's decision received in Phase 2, it may notify the Chief of the Common Carrier Bureau and request consolidated binding arbitration. Thereafter, the Chief of the Common Carrier Bureau may require SBC/Ameritech and the CLEC(s) to submit the dispute to consolidated binding arbitration, if the Chief of the Common Carrier Bureau determines in writing that arbitration of the dispute is appropriate and in the public interest. Any such consolidated binding arbitration shall be conducted before an independent third-party arbitrator nominated by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, in consultation with subject matter experts selected by the arbitrator from a list of 3 firms supplied by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, which may include Telcordia Technologies, and shall be conducted in

accordance with the Commercial Arbitration Rules of the American Arbitration Association. The Chief of the Common Carrier Bureau shall direct the arbitrator that the arbitration will last no more than 60 days, unless the Chief of the Common Carrier Bureau extends that deadline.

SBC/Ameritech shall pay 50 percent of the costs of the arbitrator and expert(s), and the CLECs that are parties to the disputed issues shall pay 50 percent of the arbitrator and expert costs. If the arbitrator determines that SBC/Ameritech has not developed and deployed enhancements to the existing Datagate or EDI interfaces in substantial compliance with the written agreement obtained in Phase 2, or has not complied with the arbitrator's decision received in Phase 2, SBC/Ameritech shall pay up to \$10,000 per business day per state in voluntary payments to the U.S. Treasury, as directed by the arbitrator. Voluntary payments shall not exceed a total of ~~+\$100,000~~ **[\$110,000]** per business day for all SBC/Ameritech States.

(B) Voluntary payments of up to \$10,000 per business day per state shall be due only with respect to time periods during which SBC/Ameritech is in non-compliance and that are one or more of the following: (i) a period for which SBC/Ameritech acknowledges a failure to meet the relevant target date; (ii) within the first 3 business days after the relevant missed target date; or (iii) between the date on which the arbitrator has issued a final decision that SBC/Ameritech is in non-compliance and the date on which SBC/Ameritech files a notice with the Chief of the Common Carrier Bureau that it has corrected that non-compliance. In addition, if the arbitrator finds in writing that SBC/Ameritech intentionally and willfully failed to comply with the relevant requirement(s), and the Chief of the Common Carrier Bureau concurs in writing with such a finding, SBC/Ameritech shall make an additional payment of up to ~~+\$100,000~~ **[\$110,000]**, as determined by the arbitrator, for each business day that SBC/Ameritech was not in compliance. SBC/Ameritech shall have the right to appeal any such finding to the Commission.

(4) Notwithstanding anything else in these Conditions, the total of all voluntary payments relating to any or all milestones established under this Subparagraph 15c shall not exceed \$20 million.

16. Within the SBC/Ameritech Service Area, SBC/Ameritech shall provide unaffiliated telecommunications carriers with access to the OSS enhancements and additional interfaces required by Paragraph 15 of these Conditions for not less than 36 months after they are deployed.²⁷

17. Payments made to the U.S. Treasury in connection with the above OSS enhancements and additional interfaces shall not be reflected in the revenue requirement of an SBC/Ameritech incumbent LEC.

18. OSS Discounts. Until SBC/Ameritech has developed and deployed OSS options for pre-ordering and ordering xDSL and other Advanced Services components in satisfaction of Subparagraph 15c of these Conditions and the EDI interface specified in that Subparagraph is used by the separate Advanced Services affiliate for pre-ordering and ordering a substantial majority (i.e., at least 75 percent of pre-order inquiries and at least 75 percent of orders) of the Advanced Services components the separate Advanced Services affiliate uses in the relevant geographic area, SBC/Ameritech's incumbent LECs within the SBC/Ameritech Service Area shall, beginning 30 days

²⁷ This Condition does not relieve SBC/Ameritech of its OSS obligations arising from any past or future Commission decisions, or of its other obligations under the Act including, without limitation, its non-discrimination obligations.

after the Merger Closing Date, make available through inclusion of appropriate terms in interconnection agreements with telecommunications carriers, a discount of 25 percent from the recurring and nonrecurring charges (including 25 percent from the Surrogate Line Sharing Charges, if applicable) that otherwise would be applicable for unbundled local loops used to provide Advanced Services in the same relevant geographic area.

a. Such discounts shall not apply retroactively to charges incurred prior to the effective date of the discounts, but will apply to charges incurred after the effective date of the discount for both (i) recurring charges for qualifying loops in-service, and (ii) recurring and non-recurring charges for new installations of qualifying loops. By way of example, if the Surrogate Line Sharing Charges are \$8.00/month, the charge would be discounted to \$6.00/month in areas where this OSS discount is applicable. SBC/Ameritech may provide promotional discounts through credits, true-ups, or other billing mechanisms, provided, however, that such credits, true-ups or other mechanisms are applied within 60 days of the initial billing for the service. To obtain such discounts, a telecommunications carrier must provide written notification to SBC/Ameritech identifying the unbundled loops that it is using to provide an Advanced Service.

b. Unaffiliated providers of Advanced Services that obtain OSS discounts on unbundled local loops pursuant to this Paragraph shall, on a quarterly basis, certify to SBC/Ameritech and the appropriate state commission that they are using all unbundled local loops on which they are receiving the OSS discounts to provision an Advanced Service in compliance with the provisions of this Paragraph. SBC/Ameritech shall have the right to hire, at its own expense, an independent third-party auditor to perform all necessary audits and inspections needed to assure that unbundled local loops provided under the OSS discount are used in accordance with this Paragraph. Unaffiliated providers of Advanced Services that obtain OSS discounts shall agree to cooperate in the performance of such audits and inspections. Audit information shall be restricted to SBC/Ameritech regulatory, legal, and/or wholesale personnel, and SBC/Ameritech shall prohibit those personnel from disclosing audit-related, customer-specific or company-specific proprietary information to SBC/Ameritech retail personnel.

IV. Access to Loop Information for Advanced Services²⁸

²⁸ In no manner shall these Conditions be construed as Commission approval of the lawfulness of the Access to Loop Information for Advanced Services currently offered by SBC/Ameritech. In the event SBC/Ameritech offers on the Merger Closing Date interim measures prior to deploying and developing final Access to Loop Information for Advanced Services, SBC/Ameritech does so at its own risk and risks a finding or decision by a court of competent jurisdiction, any state commission or this Commission as to the lawfulness of any such arrangement under the Communications Act, the federal antitrust statutes, or any other provision of federal, state or local law. By approving the merger subject to these Conditions, the Commission explicitly states that the primary jurisdiction doctrine should not apply to disputes between SBC/Ameritech and any party with regard to this subject. In particular, the existence of these Conditions and Commission approval of these Conditions may not be used by SBC/Ameritech or any court to implicate or invoke the primary jurisdiction doctrine with regard to any case in which a party alleges that SBC/Ameritech refusal to provide or delay in providing Access to Loop Information for Advanced Services violates any provision of federal, state or local law. In addition, the Commission notes that Section 207 provides a private right of action for violations of the Communications Act of 1934, as amended, and that the existence of these

19. In the SBC/Ameritech Service Area SBC/Ameritech shall provide unaffiliated telecommunications carriers with non-discriminatory access to the same local loop information for the deployment of xDSL and Advanced Services that is available to SBC/Ameritech's retail operations, including the retail operations that will be part of the separate Advanced Services affiliate(s) described in Section I. The systems and information described in this Section IV shall be made available by SBC/Ameritech for 36 months after the systems and information are made available to unaffiliated telecommunications providers.

20. Without regard to the local loop information for the deployment of xDSL and Advanced Services that is available to SBC/Ameritech's retail operations, SBC/Ameritech shall provide unaffiliated telecommunications carriers the following local loop information for the deployment of xDSL and Advanced Services in the SBC/Ameritech Service Area:²⁹

a. SBC/Ameritech shall provide unaffiliated telecommunications carriers with non-discriminatory, electronic pre-order OSS access to the theoretical loop length on an individual address basis (e.g., whether the loop length is approximately 12,000 feet or less from the customer premises to the central office; between 12,000 and 17,500 feet from the customer premises to the central office; or greater than 17,500 feet from the customer premises to the central office). This information shall be made available no later than the Merger Closing Date in the SBC/Ameritech Service Area within all SBC States, except for Connecticut and Nevada. In the SBC/Ameritech Service Area within Connecticut, it shall be made available by no later than 22 months after the Merger Closing Date, and in the SBC/Ameritech Service Area within Nevada it shall be made available no later than 180 days after it is made available in the SBC/Ameritech Service Area within California. This information shall be made available in the SBC/Ameritech Service Area within all Ameritech States no later than 22 months after the Merger Closing Date.

b. SBC/Ameritech shall provide unaffiliated telecommunications carriers with non-discriminatory, electronic pre-order Internet access to the theoretical loop length based upon a zip code of end users in a wire center (e.g., how many end users' loops are approximately 12,000 feet or less from the customer premises to the central office; between 12,000 and 17,500 feet from the customer premises to the central office; or greater than 17,500 feet from the customer premises to the central office within a zip code). This information shall be made available at no additional charge, beginning 12 months after the Merger Closing Date, in the SBC/Ameritech Service Area.

Conditions and Commission approval of these Conditions in no way affects any party's rights under Section 207 to recover damages for failure to provide or delay in providing Access to Loop Information for Advanced Services.

²⁹ By its approval of this Condition, the Commission explicitly refuses to rule on whether the loop information to be provided below by SBC/Ameritech complies with the nondiscriminatory access provisions of Section 251(c)(3) of the Act. Commission approval of these Conditions shall not be construed in any pending or future state arbitration proceeding as a decision that providing this loop information complies with the Act. As noted in Footnote 1, state commissions are free to determine and impose other loop information requirements upon SBC/Ameritech; and it is not intended that SBC/Ameritech will use the presence of this Condition to argue that further state commission decisions are not necessary.

c. SBC/Ameritech shall provide unaffiliated telecommunications carriers in the SBC/Ameritech Service Area with non-discriminatory access to loop make-up information regarding the capability of loops to support Advanced Services, whether such access is available by electronic or manual means. Loop make-up information is the information contained on an individual loop (i.e., a single loop to a specific address) record, which typically contains: (1) the actual loop length; (2) the length by gauge; and (3) the presence of repeaters, load coils, or bridged taps; and may include, if noted on the individual loop record, (4) the approximate location and number of bridged taps, load coils, and repeaters; (5) the presence of pair-gain devices, digital loop carriers, or digital added main lines, and (6) the presence of disturbers in the same or adjacent binder groups. No later than 90 days after the Merger Closing Date, SBC/Ameritech shall, in response to an address-specific written request from a telecommunications carrier or from SBC/Ameritech's separate Advanced Services affiliate(s) described in Section I, provide the loop make-up information that is available in SBC/Ameritech's individual loop records for that specific address. SBC/Ameritech may provide non-discriminatory access to loop make-up information manually, in which case the response time to a written request may reflect the manual effort that may be required to retrieve loop make-up information. A written request for loop make-up information shall specify, on an individual address basis, precisely what loop make-up information (from the list above) is desired. A request for all loop make-up information on all loops at all addresses within a state, city, county, municipality, zip code, or wire center would not satisfy this requirement. SBC/Ameritech shall be permitted to price the provision of loop make-up information to recover from requesting telecommunications carriers SBC/Ameritech's actual costs, on a time and materials basis, for providing loop make-up information, since the furnishing of this information is not the provision of a UNE. If SBC/Ameritech provides loop make-up information through an electronic means in the SBC/Ameritech Service Area within any state, then SBC/Ameritech shall not be required to provide the same loop make-up information through a manual means in the SBC/Ameritech Service Area within that state.

V. Loop Conditioning Charges and Cost Studies³⁰

³⁰ In no manner shall these Conditions be construed as Commission approval of the lawfulness of any Loop Conditioning Charge or special construction charge currently assessed by SBC or Ameritech. In the event SBC/Ameritech offers on the Merger Closing Date interim loop conditioning charges, SBC/Ameritech does so at its own risk and is subject to any finding or decision by a court of competent jurisdiction, any state commission or this Commission as to the lawfulness of any such arrangement under the Communications Act, the federal antitrust statutes, or any other provision of federal, state or local law. By approving the merger subject to these Conditions, the Commission explicitly states that the primary jurisdiction doctrine should not apply to disputes between SBC/Ameritech and any party with regard to this subject. In particular, the existence of these Conditions and Commission approval of these Conditions may not be used by SBC/Ameritech or any court to implicate or invoke the primary jurisdiction doctrine with regard to any case in which a party alleges that SBC/Ameritech's loop conditioning charges violate any provision of federal, state or local law. In addition, the Commission notes that Section 207 provides a private right of action for violations of the Communications Act of 1934, as amended, and that the existence of these Conditions and Commission approval of these Conditions in no way affects any party's rights under Section 207 to recover damages for assessment of loop conditioning charges.

21. No later than 180 days after the Merger Closing Date, SBC/Ameritech shall file cost studies and proposed rates for conditioning xDSL loops in the SBC/Ameritech Service Area within each SBC/Ameritech State that has not already started or completed cost proceedings for these services. SBC/Ameritech's cost studies and proposed rates shall be prepared in compliance with the methodology set forth in the Commission's and the relevant state commission's pricing rules for UNEs. The cost-based rates resulting from these proceedings shall be effective in that state. **[In SBC/Ameritech States where rates have not been approved by the state commission for the removal of load coils, bridged taps, and/or voice-grade repeaters, SBC/Ameritech shall make available to Advanced Services providers, pending the approval of state-specific rates and subject to true-up, the rates for these xDSL loop conditioning services that are contained in the Arbitration Order, Petition of BroadSpan Communications, Inc. for Arbitration of Unresolved Interconnection Issues Regarding ADSL with Southwestern Bell Telephone Company, Case No. TO-99-370 (Mo. PSC issued June 15, 1999). Provided, however, that during this interim period and subject to true-up, unbundled loops of less than 12,000 feet, based on theoretical loop length, that do not meet SBC/Ameritech's design criteria for its tariffed xDSL services but that could be conditioned to meet the minimum requirements defined in the associated SBC/Ameritech technical publications through the removal of local coils, bridged taps, and/or voice-grade repeaters, will be so conditioned at no charge to the requesting Advanced Services provider. Where an SBC/Ameritech incumbent LEC identifies conditioning (with associated conditioning charges) that is necessary for an unbundled loop ordered by a provider of Advanced Services, SBC/Ameritech will obtain the provider's authorization to perform, and agreement to pay for, each type of conditioning before proceeding with any conditioning work. The foregoing interim provisions do not constitute or reflect any determination by the Commission regarding the lawfulness or appropriateness of the interim rates, and are not intended to delay or otherwise influence approval of state-specific rates by other state commissions in the SBC/Ameritech States.]**³¹

VI. Non-discriminatory Rollout of xDSL Services

22. SBC/Ameritech shall take the following steps to ensure that its deployment of xDSL services (viewed on an aggregated basis without regard to the entity through which SBC/Ameritech provides those services) in the SBC/Ameritech Service Area is not discriminatory:

a. In consultation with the relevant state commission, if the state commission chooses to engage in such consultation, SBC/Ameritech shall within 90 days of the Merger Closing Date reasonably classify all SBC/Ameritech wire centers as either urban or rural wire centers for purposes of this Paragraph.

³¹ SBC/Ameritech may not charge for removal of equipment, such as load coils, where generally-accepted industry network design practices would indicate that such equipment should not normally be present. In the event a state commission establishes or has established loop rates pursuant to such a TELRIC study, the cost study and the interim rates required by this Paragraph 21 will not be required.

b. SBC/Ameritech shall identify the 10 percent of urban wire centers within the SBC/Ameritech Service Area in each SBC/Ameritech State that have the greatest number of low-income ~~{subscribers}~~ **[households]**, as estimated by using the latest available census data ("Low Income Urban Pool"). After the date that is 180 days after the Merger Closing Date, by the time SBC/Ameritech has deployed xDSL in at least 20 urban wire centers in a particular state, and for at least 36 months thereafter, at least 10 percent of the urban wire centers in which SBC/Ameritech deploy xDSL in that state shall be wire centers from the Low Income Urban Pool.

c. SBC/Ameritech shall identify the 10 percent of rural wire centers within the SBC/Ameritech Service Area in each SBC/Ameritech State that have the greatest number of low-income ~~{subscribers}~~ **[households]**, as estimated by using the latest available census data ("Low Income Rural Pool"). After the date that is 180 days after the Merger Closing Date, by the time SBC/Ameritech has deployed xDSL in at least 20 rural wire centers in a particular state, and for at least 36 months thereafter, at least 10 percent of the rural wire centers in which SBC/Ameritech deploys xDSL in that state shall be wire centers from the Low Income Rural Pool.

ENSURING OPEN LOCAL MARKETS

VII. Carrier ~~{Interconnection}~~[-to-Carrier] Performance Plan (Including Performance Measurements)

23. In the SBC/Ameritech Service Area, SBC/Ameritech shall implement the Carrier Interconnection Performance Plan ("the Plan") described herein and in Attachment A. The Plan has two elements. First, it requires SBC/Ameritech to report, on a monthly basis and in each of the SBC/Ameritech States, its performance in 20 measurement categories (with sub-measurements) that address functions that may have a particularly direct effect on SBC/Ameritech's local competitors and their customers. This information will be made available on an Internet website and will provide the Commission, state commissions, and ~~{carriers}~~ **[CLECs]** new tools to verify and benchmark SBC/Ameritech's performance in these measurement and submeasurement categories.³² Second, the Plan obligates SBC/Ameritech to make voluntary payments of up to \$1.125 billion over 3 years to the U.S. Treasury based on SBC/Ameritech's performance in the 20 measurement categories. These payments may reach as much as \$250 million in the first year, \$375 million in the second year, and \$500 million in the third year. The \$1.125 billion total voluntary payment for which SBC/Ameritech may be liable may be reduced by up to \$125 million if SBC/Ameritech completes the OSS commitments provided for in these Conditions ahead of schedule. See Attachment A, Paragraph 11. The Plan does not limit the authority of any state to adopt additional or different state performance monitoring requirements or associated remedies.

24. The Plan shall be effective for the SBC/Ameritech Service Area within each SBC/Ameritech State, except for Connecticut, until the earlier of (i) 36 months after the date that SBC/Ameritech is first potentially obligated to make Plan payments for that state, or (ii) the first date on which SBC/Ameritech is authorized to provide in-region, interLATA services in that state pursuant to 47 U.S.C. § 271(d)(3). The Plan shall be effective for the SBC/Ameritech Service Area within Connecticut for 36 months after the date that SBC/Ameritech is first potentially obligated to

³² The presence of this Carrier Interconnection Performance Plan shall not be utilized by SBC/Ameritech to seek to delay or alter existing or pending state commission initiatives in this area; *see* Footnote 1.

make Plan payments in Connecticut. Not later than 10 business days after the relevant deadlines under this Section VII, SBC/Ameritech shall file with the Secretary of the Commission notices regarding its satisfaction of the deadlines listed below.

a. In the SBC/Ameritech Service Area within Arkansas, Kansas, Missouri, Oklahoma, and Texas, SBC/Ameritech shall implement the performance measurements shown on Attachments A-2a and A-5a, and provide the Commission with 2 months of performance data on these measurements, by November 1, 1999. For the SBC/Ameritech Service Area within California and Nevada, SBC/Ameritech shall implement the performance measurements, using the California business rules shown in Attachments A-2b and A-5b, and provide 2 months of performance data on these measurements, by the first day of the first month that begins more than 30 days after the Merger Closing Date. Beginning with the first month that starts at least 270 days after the Merger Closing Date, SBC/Ameritech's performance shall be used to determine whether SBC/Ameritech shall be obligated to make voluntary payments to the U.S. Treasury, as set forth in the Plan. SBC/Ameritech's performance in prior months shall not be used to determine whether SBC/Ameritech shall make voluntary payments.

b. In the SBC/Ameritech Service Area within Connecticut, SBC/Ameritech shall implement the performance measurements shown on Attachments A-2a and A-5a, and provide 2 months of performance data no later than 12 months after the Merger Closing Date. Beginning with the first month that starts at least 15 months after the Merger Closing Date, SBC/Ameritech's performance shall be used to determine whether SBC/Ameritech shall be obligated to make voluntary payments to the U.S. Treasury, as set forth in the Plan. SBC/Ameritech's performance in prior months shall not be used to determine whether SBC/Ameritech shall make voluntary payments. When implementing the performance measurement business rules in Attachment A-2a within Connecticut, SBC/Ameritech shall substitute 'SNET' for 'SWBT.'

c. In the SBC/Ameritech Service Area within the Ameritech States, SBC/Ameritech shall implement performance measurements 2, 4-5, 10-13, 15, and 17-19 as shown on Attachments A-2a and A-5a, and provide 2 months of performance data on these measurements, no later than 90 days after the Merger Closing Date. In the SBC/Ameritech Service Area within the Ameritech States, SBC/Ameritech shall implement performance measurements 1, 3, 6-9, 14, 16, and 20, as shown on Attachments A-2a and A-5a, and provide 2 months of performance data on these measurements, no later than 150 days after the Merger Closing Date. Beginning with the first month that starts at least 270 days after the Merger Closing Date, SBC/Ameritech's performance shall be used to determine whether SBC/Ameritech shall be obligated to make voluntary payments to the U.S. Treasury, as set forth in the Plan. SBC/Ameritech's performance in prior months shall not be used to determine whether SBC/Ameritech shall make voluntary payments. When implementing the performance measurement business rules in Attachment A-2a within the Ameritech States, SBC/Ameritech shall substitute 'Illinois Bell Telephone Company,' 'Indiana Bell Telephone Company,' 'Michigan Bell Telephone Company,' 'The Ohio Bell Telephone Company,' or 'Wisconsin Bell, Inc.,' as appropriate, for 'SWBT.'

VIII. Uniform and Enhanced OSS³³

25. SBC/Ameritech will develop and deploy uniform, electronic OSS throughout the 13-State SBC/Ameritech Service Area. No later than the Merger Closing Date, SBC/Ameritech shall provide the Commission an OSS Process Improvement Plan identifying and assessing SBC's and Ameritech's existing OSS and generally identifying the OSS changes that are needed to implement SBC/Ameritech's OSS commitments identified in this Section. The commitments in this Section are intended to facilitate local services competition (including local Advanced Services competition) in the SBC/Ameritech Service Area by providing entrants additional and more economical options for accessing SBC/Ameritech's OSS on a non-discriminatory basis as compared to SBC/Ameritech's retail operations, and by encouraging constructive participation by local entrants in the development of SBC/Ameritech systems used by those local entrants.

26. Within 24 months after the Merger Closing Date (assuming the duration of Phase 2 described in Paragraph 28 below is no longer than 30 days), SBC/Ameritech shall develop and deploy in the SBC/Ameritech Service Area, except for the SBC/Ameritech Service Area within Connecticut, commercially ready, uniform application-to-application interfaces using standards and guidelines as defined, adopted, and periodically updated by the Alliance For Telecommunications Industry Solutions ("ATIS") for OSS, e.g., Electronic Data Interchange ("EDI") and Electronic Bonding Interface ("EBI") that support the pre-ordering, ordering, provisioning, maintenance/repair, and billing of resold local services, unbundled network elements ("UNEs") that meet the requirements of 47 U.S.C. § 251(c)(3), and UNEs or UNE combinations that are required by this Appendix. SBC/Ameritech shall deploy these same interfaces in the SBC/Ameritech Service Area within Connecticut within 30 months of the Merger Closing Date (assuming the duration of Phase 2 described in Paragraph 28 below is no longer than 30 days). For purposes of these Conditions, "uniform interfaces" means interfaces that present telecommunications carriers that are users of the interfaces with the same version(s) of industry standards, data formatting specifications, and transport and security specifications. It

³³ In no manner shall these Conditions be construed as Commission approval of the lawfulness of SBC's, Ameritech's or SBC/Ameritech's OSS or of its compliance with the requirements of any Commission order or the provisions of the 1996 Act.. SBC and Ameritech currently offer their OSS at their own risk and are subject to any finding or decision by a court of competent jurisdiction, any state commission or this Commission as to the lawfulness of that OSS under the Communications Act, the federal antitrust statutes, or any other provision of federal, state or local law. By approving the merger subject to these Conditions, the Commission explicitly states that the primary jurisdiction doctrine should not apply to disputes between SBC/Ameritech and any party with regard to this subject. In particular, the existence of these Conditions and Commission approval of these Conditions may not be used by SBC/Ameritech or any court to implicate or invoke the primary jurisdiction doctrine with regard to any case in which a party alleges that SBC's, Ameritech's, or SBC/Ameritech's OSS violates any provision of federal, state or local law. In addition, the Commission notes that Section 207 provides a private right of action for violations of the Communications Act of 1934, as amended, and that the existence of these Conditions and Commission approval of these Conditions in no way affects any party's rights under Section 207 to recover damages with regard to any claim regarding SBC and Ameritech's failure to provide OSS pursuant to the law.

is understood that telecommunications carriers will be able to use the same uniform interface(s) throughout the SBC/Ameritech Service Area only after SBC/Ameritech completes development and deployment of a software solution or uniform business rules consistent with Paragraph 31.

27. Within 24 months after the Merger Closing Date (assuming the duration of Phase 2 described in Paragraph 28 below is no longer than 30 days), SBC/Ameritech shall develop and deploy in the SBC/Ameritech Service Area, except for the SBC/Ameritech Service Area within Connecticut, uniform graphical user interfaces for OSS (e.g., like SBC's toolbar interface) that support the pre-ordering, ordering, provisioning, maintenance/repair, and billing for resold local services, UNEs that meet the requirements of 47 U.S.C. § 251(c)(3), and UNEs or UNE combinations that are required by this Appendix. SBC/Ameritech shall deploy these same interfaces in the SBC/Ameritech Service Area within Connecticut within 30 months of the Merger Closing Date (assuming the duration of Phase 2 described in Paragraph 28 below is no longer than 30 days).

28. Milestones applicable to the development and deployment of uniform application-to-application interfaces and graphical user interfaces are as follows:

a. Phase 1 – SBC/Ameritech shall complete a publicly available Plan of Record, which shall consist of an overall assessment of SBC's and Ameritech's existing OSS interfaces, business processes and rules, hardware capabilities, data capabilities, and differences, and SBC/Ameritech's plan for developing and deploying uniform application-to-application interfaces and graphical user interfaces for OSS. The target date for completion of Phase 1 is 150 days after the Merger Closing Date. No later than 3 business days after the target date, SBC/Ameritech shall file a notice regarding its satisfaction of this target with the Secretary of the Commission. SBC/Ameritech shall pay \$10,000 per business day per state in voluntary payments to the U.S. Treasury if the Chief of the Common Carrier Bureau determines in writing (after any appeals to the Commission, which may be taken) that SBC/Ameritech has failed to submit a Plan of Record that is in substantial compliance with the requirements of this Paragraph by the target date in any SBC/Ameritech State. Voluntary payments for all SBC/Ameritech States shall not exceed total of ~~(\$100,000)~~ **[\$110,000]** per business day for a failure to submit a Plan of Record that is in substantial compliance with the requirements of this Paragraph. The pendency of proceedings under this Subparagraph shall not delay the commencement of Phase 2 after the target date for Phase 1.

b. Phase 2 – SBC/Ameritech shall work collaboratively with CLECs, in a single series of workshop sessions (in multiple locations, if necessary), to obtain written agreement on OSS interfaces, enhancements, business requirements identified in the Plan of Record, and a change management process, including a 12 month forward-looking view of process changes and deployment schedule. The target date for completion of Phase 2 is 30 days after the target date for completion of Phase 1 if there is a written agreement, or 90 days after the target date for completion of Phase 1 if Phase 2 issues are sent to an arbitrator for resolution. Successful completion of Phase 2 is dependent upon the full cooperation of all participants in consummating a written agreement with SBC/Ameritech on the work to be done. The Chief of the Common Carrier Bureau shall try to assist and encourage the parties to reach a written agreement. If SBC/Ameritech and all of the CLECs participating in the workshop reach a written agreement within 30 days after the start of Phase 2, SBC/Ameritech shall file a copy of

that agreement with the Chief of the Common Carrier Bureau and proceed with Phase 3. If SBC/Ameritech and all of the CLECs participating in the workshop cannot reach a written agreement within 30 days after the start of Phase 2, SBC/Ameritech shall and participating CLECs may notify the Chief of the Common Carrier Bureau and submit a list of the remaining unresolved issues in dispute~~-, and~~[.] SBC/Ameritech shall **[at the same time]** submit a plan for development and deployment of uniform application-to-application and graphical user interfaces for OSS that incorporates what was agreed upon with the CLECs in the workshop sessions. The Chief of the Common Carrier Bureau shall (a) direct SBC/Ameritech to implement SBC/Ameritech's plan for development and deployment of uniform application-to-application and graphical user interfaces for OSS in its entirety, (b) authorize SBC/Ameritech and the CLEC(s) to submit the remaining unresolved issues in dispute to consolidated binding arbitration, or (c) extend the collaborative period to continue efforts to obtain a written agreement. If SBC/Ameritech and all of the CLECs participating in the workshop do not reach a written agreement in Phase 2, in no event shall work begin in Phase 3 until (a) SBC/Ameritech is directed by the Chief of the Common Carrier Bureau to implement the plan for development and deployment of uniform application-to-application and graphical user interfaces for OSS as proposed by SBC/Ameritech in its entirety, or (b) SBC/Ameritech is directed by the Chief of the Common Carrier Bureau to arbitrate the remaining unresolved issues in dispute and SBC/Ameritech receives the arbitrator's decision. Any such consolidated binding arbitration shall be conducted before an independent third-party arbitrator nominated by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, in consultation with subject matter experts selected by the arbitrator from a list of 3 firms supplied by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, which may include Telcordia Technologies, and shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The Chief of the Common Carrier Bureau shall direct the arbitrator that the arbitration will last no more than 60 days, unless the Chief extends that deadline. Each party to the arbitration shall pay its own costs. SBC/Ameritech shall pay 50 percent of the costs of the arbitrator and expert(s), and the CLECs that are parties to the disputed issues shall pay 50 percent of the arbitrator and expert costs.

c. Phase 3 – SBC/Ameritech shall develop and deploy, using a phased-in approach, system interfaces, enhancements, and business requirements consistent with the written agreement obtained in Phase 2 or the arbitrator's decision in Phase 2.

(1) To the extent that SBC/Ameritech has completed negotiation of a uniform change management process in accordance with Paragraph 32, SBC/Ameritech shall follow that uniform change management process in Phase 3. The target date for completion of Phase 3 is 18 months after completion of Phase 2, with the exception of the SBC/Ameritech Service Area within Connecticut where the target date shall be 24 months after completion of Phase 2. The target dates in Phase 3 shall begin to run on the date the plan for Phase 3 is finalized, which may be the date of execution of the written agreement in Phase 2, the date on which the Chief of the Common Carrier Bureau directs SBC/Ameritech in writing to implement SBC/Ameritech's plan in its entirety, or the effective date of a final decision by the arbitrator in Phase 2 resolving all outstanding issues, whichever date is applicable. Within 3 business days after the target date, SBC/Ameritech shall file a notice regarding its satisfaction of this target with the Secretary of the Commission.

(2) If a CLEC contends that SBC/Ameritech has not developed and deployed system interfaces, enhancements, and business requirements in substantial compliance with the written agreement obtained in Phase 2, or has not complied with the arbitrator's decision received in Phase 2, it may notify the Chief of the Common Carrier Bureau and request consolidated binding arbitration. Thereafter, the Chief of the Common Carrier Bureau may require SBC/Ameritech and the CLEC(s) to submit to consolidated binding arbitration, if the Chief of the Common Carrier Bureau determines in writing that arbitration is appropriate and in the public interest. Any such consolidated binding arbitration shall be conducted before an independent third-party arbitrator nominated by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, in consultation with subject matter experts selected by the arbitrator from a list of 3 firms supplied by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, which may include Telcordia Technologies, and shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The Chief of the Common Carrier Bureau shall direct the arbitrator that the arbitration will last no more than 60 days, unless the Chief extends that deadline. Each party to the arbitration shall pay its own costs. SBC/Ameritech shall pay 50 percent of the costs of the arbitrator and expert(s), and the CLECs that are parties to the disputed issues shall pay 50 percent of the arbitrator and expert costs. If the arbitrator determines that SBC/Ameritech has not developed and deployed system interfaces, enhancements, and business requirements in substantial compliance with the written agreement obtained in Phase 2, or has not complied with the arbitrator's decision received in Phase 2, SBC/Ameritech shall pay up to an amount of \$10,000 per business day per state in voluntary payments to the U.S. Treasury, as determined by the arbitrator. Voluntary payments shall not exceed a total of ~~{\$100,000}~~ **[\$110,000]** per business day for all SBC/Ameritech States.

(3) Voluntary payments of up to \$10,000 per business day per state shall be due only with respect to time periods during which SBC/Ameritech is in non-compliance and that are one or more of the following: (i) a period for which SBC/Ameritech acknowledges a failure to meet the relevant target date; (ii) within the first 3 business days after the relevant missed target date; or (iii) between the date on which the arbitrator has issued a final decision that SBC/Ameritech is in non-compliance and the date on which SBC/Ameritech files a notice with the Chief of the Common Carrier Bureau that it has corrected that non-compliance. In addition, if the arbitrator finds in writing that SBC/Ameritech intentionally and willfully failed to comply with the relevant requirement(s), and the Chief of the Common Carrier Bureau concurs in writing with such a finding, SBC/Ameritech shall make an additional payment of up to ~~{\$100,000}~~ **[\$110,000]**, as determined by the arbitrator, for each business day that SBC/Ameritech was not in compliance. SBC/Ameritech shall have the right to appeal any such finding to the Commission.

d. Notwithstanding anything else in these Conditions, the total of all voluntary payments relating to any or all milestones established under this Paragraph shall not exceed \$20 million.

29. For a period of 30 months after the Merger Closing Date, SBC/Ameritech shall offer to develop in the SBC/Ameritech Service Area, direct access to SBC's SORD system and

to Ameritech's and SNET's equivalent service order processing system for resold local services, UNEs that meet the requirements of 47 U.S.C. § 251(c)(3), and UNEs or UNE combinations that are required by these conditions; provided, however, that a CLEC requesting such direct access enters into a written contract wherein SBC/Ameritech and the CLEC agree to (i) the precise nature of the SORD (or the Ameritech or SNET equivalent service order processing system) functions that shall be provided by SBC/Ameritech, (ii) a timetable for deployment of direct access to such functions, which shall not exceed 18 months from the date of execution of the contract; and (iii) a timetable for delivery of training on how to use such functions. If more than one CLEC requests direct access to the same SORD (or Ameritech or SNET equivalent service order processing system) function, each CLEC entering into a written contract to obtain such direct access will pay its proportionate share of the costs associated with developing direct access to such SORD (or the Ameritech or SNET equivalent service order processing system) function based upon the number of CLECs requesting direct access to the same function. If a CLEC requests direct access to a SORD (or the Ameritech or SNET equivalent service order processing system) function that has already been developed for other CLECs, SBC/Ameritech shall provide that direct access at no charge. SBC/Ameritech shall develop and pay for a training package, and the CLEC shall pay for the costs of delivery of the training.

30. SBC/Ameritech shall offer to develop and deploy in the SBC/Ameritech Service Area, in advance of industry standards, enhancements to the existing EBI interface for OSS that support maintenance/repair of resold local services, UNEs that meet the requirements of 47 U.S.C. § 251(c)(3), and UNEs or UNE combinations that are required by this Appendix; provided, however, that a telecommunications carrier requesting such enhancements enters into a written contract wherein (i) SBC/Ameritech and the requesting telecommunications carrier agree to the precise nature of the enhancement(s), and (ii) the requesting telecommunications carrier agrees to pay SBC/Ameritech for the costs of development. This offer shall be made available for a period of 30 months after the Merger Closing Date. SBC/Ameritech shall develop and deploy the enhancements contracted for within 12 months of an executed contract. In the case of the SBC/Ameritech Service Area within the Ameritech States and Connecticut, this interface shall be provided in conjunction with the introduction of the EBI interface described in Paragraph 26 above, or within 12 months of a completed contract, whichever is later. In the event an enhancement to the existing EBI interface contracted for by a telecommunications carrier becomes an industry standard, without any changes or modifications, within 12 months of deployment by SBC/Ameritech, SBC/Ameritech shall provide the telecommunications carrier a refund of the money the telecommunications carrier has paid SBC/Ameritech for the development and deployment of the enhancement.

31. Within 30 months after the Merger Closing Date (assuming the duration of Phase 2 described below is no longer than 30 days) SBC/Ameritech shall develop jointly with CLECs, and deploy throughout the SBC/Ameritech Service Areas, either (i) a software solution that shall ensure that CLEC-submitted local service requests are consistent with SBC/Ameritech's business rules, or (ii) uniform business rules for completing CLEC local service requests, excluding those differences caused by state regulatory requirements and product definitions. Milestones applicable to the development and deployment of a software solution or uniform business rules are as follows:

a. Phase 1 – SBC/Ameritech shall complete a publicly available Plan of Record, which shall consist of an assessment of SBC/Ameritech business rules and SBC/Ameritech's plan for developing and deploying a software solution or uniform business rules. The target date for completion of Phase 1 is 150 days after completion of Phase 2 of the development of both uniform application-to-application and graphical user interfaces for OSS, as described in Paragraph 28. No later than 3 business days after the target date, SBC/Ameritech shall file a notice regarding its satisfaction of this target with the Secretary of the Commission. SBC/Ameritech shall pay \$10,000 per business day per state in voluntary payments to the U.S. Treasury if the Chief of the Common Carrier Bureau determines in writing (after any appeals to the Commission, which may be taken) that SBC/Ameritech has failed to submit a Plan of Record that is in substantial compliance with the requirements of this Paragraph by the target date in any SBC/Ameritech State. Voluntary payments for all SBC/Ameritech States shall not exceed total of ~~(\$100,000)~~ **[\$110,000]** per business day for a failure to submit a Plan of Record that is in substantial compliance with the requirements of this Paragraph by the target date. The pendency of proceedings under this Subparagraph shall not delay the commencement of Phase 2 after the target date for Phase 1.

b. Phase 2 – SBC/Ameritech shall work collaboratively with the CLECs operating in the SBC/Ameritech Service Area, in a single series of workshop sessions (in multiple locations, if necessary), to obtain a written agreement on a software solution or business rule changes identified in the Plan of Record, and a change management process, including a 12 month forward-looking view of deployment. The target date for completion of Phase 2 is 30 days after the target date for completion of Phase 1 if there is a written agreement, or 90 days after the target date for completion of Phase 1 if Phase 2 issues are sent to an arbitrator for resolution. Successful completion of Phase 2 is dependent upon the full cooperation of all participants in consummating a written agreement with SBC/Ameritech on the work to be done. The Chief of the Common Carrier Bureau shall try to assist and encourage the parties to reach a written agreement. If SBC/Ameritech and all of the CLECs participating in the workshop reach a written agreement, SBC/Ameritech shall file a copy of that agreement with the Chief of the Common Carrier Bureau and proceed with Phase 3. If SBC/Ameritech and all of the CLECs participating in the workshop cannot reach a written agreement within 30 days after the start of Phase 2, SBC/Ameritech shall and participating CLECs may notify the Chief of the Common Carrier Bureau, and submit to the Chief of the Common Carrier Bureau a list of the remaining unresolved issues in dispute ~~(, and)~~ **[.]** SBC/Ameritech shall **[at the same time]** submit to the Chief of the Common Carrier Bureau a plan for development and deployment of either a software solution or business rule changes that incorporates what was agreed upon with the CLECs in the workshop sessions. The Chief of the Common Carrier Bureau shall (a) direct SBC/Ameritech to implement SBC/Ameritech's plan for development and deployment of either a software solution or uniform business rules in its entirety, (b) authorize SBC/Ameritech and one or more CLEC(s) to submit the remaining unresolved issues in dispute to consolidated binding arbitration, or (c) extend the collaborative period to continue efforts to obtain a written agreement. If SBC/Ameritech and all of the CLECs participating in the workshop do not reach a written agreement in Phase 2, in no event shall work begin in Phase 3 until SBC/Ameritech is directed by the Chief of the Common Carrier Bureau to implement the plan for development and deployment of either a software solution or uniform business rules as proposed by SBC/Ameritech in its entirety, or SBC/Ameritech is directed by the Chief of the Common

Carrier Bureau to arbitrate the remaining unresolved issues in dispute and SBC/Ameritech receives the arbitrator's decision. Any such consolidated binding arbitration shall be conducted before an independent third-party arbitrator nominated by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, in consultation with subject matter experts selected by the arbitrator from a list of 3 firms supplied by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, which may include Telcordia Technologies, and shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The Chief of the Common Carrier Bureau shall direct the arbitrator that the arbitration will last no more than 60 days, unless the Chief extends that deadline. SBC/Ameritech shall pay 50 percent of the costs of the arbitrator and expert(s), and the CLECs that are parties to the disputed issues shall pay 50 percent of the arbitrator and expert costs.

c. Phase 3 – SBC/Ameritech shall develop and deploy, using a phased-in approach, the software solution or business rule changes agreed upon in Phase 2 or ordered by the arbitrator in Phase 2.

(1) To the extent that SBC/Ameritech has completed negotiation of a uniform change management process in accordance with Paragraph 32, SBC/Ameritech shall follow that uniform change management process in Phase 3. The target date for completion of Phase 3 is 18 months after completion of Phase 2. The target dates in Phase 3 shall begin to run on the date the plan for Phase 3 is finalized, which may be the date of execution of the written agreement in Phase 2, the date on which the Chief of the Common Carrier Bureau directs SBC/Ameritech in writing to implement SBC/Ameritech's plan in its entirety, or the effective date of a final decision by the arbitrator in Phase 2 resolving all outstanding issues, whichever date is applicable. Within 3 business days of the target date, SBC/Ameritech shall file a notice regarding its satisfaction of this target with the Secretary of the Commission.

(2) If a CLEC contends that SBC/Ameritech has not developed and deployed the software solution or business rule changes in substantial compliance with what was agreed upon in Phase 2 or ordered by the arbitrator in Phase 2, it may notify the Chief of the Common Carrier Bureau and request consolidated binding arbitration. Thereafter, the Chief of the Common Carrier Bureau may require SBC/Ameritech and the CLEC(s) to submit to consolidated binding arbitration, if the Chief of the Common Carrier Bureau determines in writing that arbitration is appropriate and in the public interest. Any such consolidated binding arbitration shall be conducted before an independent third-party arbitrator nominated by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, in consultation with subject matter experts selected by the arbitrator from a list of 3 firms supplied by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, which may include Telcordia Technologies, and shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The Chief of the Common Carrier Bureau shall direct the arbitrator that the arbitration will last no more than 60 days, unless the Chief extends that deadline. Each party to the arbitration shall pay its own costs. SBC/Ameritech shall pay 50 percent of the costs of the arbitrator and expert(s), and the CLECs that are parties to the disputed issues shall pay 50 percent of the arbitrator and expert costs. If the arbitrator determines that SBC/Ameritech has not developed and deployed the software solution or business rule changes in substantial compliance with what was agreed upon in Phase 2 or ordered by the arbitrator in

Phase 2, SBC/Ameritech shall pay up to \$10,000 per business day per state in voluntary payments to the U.S. Treasury, as determined by the Arbitrator. Voluntary payments shall not exceed a total of ~~(\$100,000)~~ **[\$110,000]** per business day for all SBC/Ameritech States.

(3) Voluntary payments of up to \$10,000 per business day per state shall be due only with respect to time periods during which SBC/Ameritech is in non-compliance and that are one or more of the following: (i) a period for which SBC/Ameritech acknowledges a failure to meet the relevant target date; (ii) within the first 3 business days after the relevant missed target date; or (iii) between the date on which the arbitrator has issued a final decision that SBC/Ameritech is in non-compliance and the date on which SBC/Ameritech files a notice with the Chief of the Common Carrier Bureau that it has corrected that non-compliance. In addition, if the arbitrator finds in writing that SBC/Ameritech intentionally and willfully failed to comply with the relevant requirement(s), and the Chief of the Common Carrier Bureau concurs in writing with such a finding, SBC/Ameritech shall make an additional payment of up to ~~(\$100,000)~~ **[\$110,000]**, as determined by the arbitrator, for each business day that SBC/Ameritech was not in compliance. SBC/Ameritech shall have the right to appeal any such finding to the Commission.

d. Notwithstanding anything else in these Conditions, the total of all voluntary payments relating to any or all milestones established under this Paragraph shall not exceed \$20 million.

32. Within 30 days after the Merger Closing Date, SBC/Ameritech shall begin to negotiate with interested CLECs a uniform change management process for implementation in the SBC/Ameritech Service Area. Subject to arbitration, the resulting change management process shall be developed and offered to state commissions for their acceptance and approval, within 12 months after the commencement of negotiations. SBC/Ameritech shall implement those aspects of the uniform change management process that are consistent with state commission rulings, agreed-to with the CLEC participants, and feasible. For purposes of this Paragraph, "change management process" means the documented process that SBC/Ameritech and the CLECs follow to facilitate communication about OSS changes, new interfaces and retirement of old interfaces, as well as the implementation timeframes; which includes such provisions as a 12-month developmental view, release announcements, comments and reply cycles, joint testing processes and regularly scheduled change management meetings. SBC/Ameritech shall offer to include in its interconnection agreements with CLECs a commitment to follow the uniform change management process agreed upon with interested CLECs. In the event that CLECs doing business with SBC/Ameritech in different states are unable to agree on certain components of a uniform change management process, SBC/Ameritech shall implement those components of the uniform change management process that are agreed-to with the CLEC participants where feasible, and SBC/Ameritech shall notify the Chief of the Common Carrier Bureau, and submit to the Chief of the Common Carrier Bureau SBC/Ameritech's plan for a uniform change management process in its entirety and a list of the components of the change management process that are in dispute. The Chief of the Common Carrier Bureau shall (a) direct SBC/Ameritech to implement SBC/Ameritech's proposed plan for a uniform change management process in its entirety, or (b) authorize SBC/Ameritech and one or more CLEC(s) to submit the remaining unresolved issues in dispute

to consolidated binding arbitration, or (c) extend the collaborative period to continue efforts to obtain an agreement. CLEC(s) shall have the right to submit the remaining unresolved issues in dispute to consolidated binding arbitration if the Chief of the Common Carrier Bureau determines in writing that arbitration is appropriate and in the public interest. Any disputes between SBC/Ameritech and the CLECs arising out of or relating to the negotiation of a uniform change management control process shall be decided in a consolidated binding arbitration by an independent third-party arbitrator nominated by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, in consultation with subject matter experts selected from a list of 3 firms supplied by SBC/Ameritech and approved by the Chief of the Common Carrier Bureau, which may include Telcordia Technologies, and in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The Chief of the Common Carrier Bureau shall direct the arbitrator that the arbitration will last no more than 60 days, unless the Chief extends that deadline. SBC/Ameritech shall pay 50 percent of the costs of the arbitrator and expert(s), and the CLECs that are parties to the disputed issues shall pay 50 percent of the arbitrator and expert costs.

33. Within the SBC/Ameritech Service Area, SBC/Ameritech shall provide unaffiliated telecommunications carriers with access to the OSS enhancements and additional interfaces required by Paragraphs 26, 27, 29, and 30 of these Conditions for not less than 36 months after they are deployed.

34. Payments made to the U.S. Treasury in connection with the above OSS enhancements and additional interfaces shall not be reflected in the revenue requirement of an SBC/Ameritech incumbent LEC.

IX. Restructuring OSS Charges³⁴

35. SBC/Ameritech shall restructure its OSS charges by eliminating in the SBC/Ameritech Service Area, on a going-forward basis, flat-rate monthly charges for access to

³⁴ In no manner shall these Conditions be construed as Commission approval of the lawfulness of SBC or Ameritech's current OSS charges. SBC and Ameritech currently charge for access to OSS at their own risk of a finding or decision by a court of competent jurisdiction, any state commission or this Commission as to the lawfulness of those charges under the Communications Act, the federal antitrust statutes, or any other provision of federal, state or local law. By approving the merger subject to these Conditions, the Commission explicitly states that the primary jurisdiction doctrine should not apply to disputes between SBC/Ameritech and any party with regard to this subject. In particular, the existence of these Conditions and Commission approval of these Conditions may not be used by SBC/Ameritech or any court to implicate or invoke the primary jurisdiction doctrine with regard to any case in which a party alleges that SBC/Ameritech's OSS charges violate any provision of federal, state or local law. In addition, the Commission notes that Section 207 provides a private right of action for violations of the Communications Act of 1934, as amended, and that the existence of these Conditions and Commission approval of these Conditions in no way affects any party's rights under Section 207 to recover damages with regard to any claim regarding SBC's, Ameritech's and SBC/Ameritech's OSS charges.

the Remote Access Facility and the Information Services Call Center. The intent of this Paragraph is to eliminate the flat-rate monthly charges (amounting to approximately \$3600 per month per CLEC per state) that SBC charged CLECs prior to the Merger Closing Date. For orders of 30 lines or less where SBC/Ameritech does not make an electronic interface available to submit the order to SBC/Ameritech, SBC/Ameritech also shall eliminate in the SBC/Ameritech Service Area, on a going-forward basis, any manual processing charges associated with processing such a manual order that are in excess of the charges that apply for processing similar orders submitted electronically. SBC/Ameritech shall eliminate any such charges, in the SBC/Ameritech Service Area within all states where they are applied, starting with the first billing cycle that begins after the Merger Closing Date. This Paragraph does not limit SBC/Ameritech's right to charge telecommunications carriers for the cost of processing service orders received by electronic or non-electronic means, whether on an electronic or non-electronic basis; to charge telecommunications carriers for the cost of providing loop make-up information as described in Paragraph 20~~+~~~~;~~~~;~~ or to recover the costs of developing and providing OSS to telecommunications carriers through the pricing of UNEs or resold services, in accordance with applicable federal and state pricing requirements.

X. OSS Assistance to Small CLECs

36. Within the SBC/Ameritech Service Area, SBC/Ameritech shall adopt measures for assisting Small CLECs in using SBC/Ameritech's OSS, as follows:

- a. The term "Small CLEC" means any CLEC that, when combined with all of the CLEC's affiliates, including its parents and subsidiaries, and the CLEC's joint ventures that provide telecommunications services, has less than \$300 million in total annual telecommunications revenues, excluding revenues from wireless services, as reported to the Securities and Exchange Commission or in other documents mutually agreeable to such CLEC and SBC/Ameritech. The CLEC may certify its status as a Small CLEC to SBC/Ameritech. Disputes relating to the status of an entity as a Small CLEC may be resolved by the appropriate state commission(s).
- b. Within 30 days following the Merger Closing Date, SBC/Ameritech shall designate and make available one or more teams of a sufficient number of OSS experts dedicated and empowered to assist Small CLECs with OSS issues, provided that such Small CLECs have contracted for OSS in their interconnection agreements with SBC/Ameritech and have attended any OSS training required by their interconnection agreements. Each team shall be available to provide further training and assistance, not including the provision of any telecommunications service, to such CLECs at no additional cost for a minimum of 36 months following the designation of the team. A Small CLEC may request reasonable changes, expansion, and/or reduction in the composition of such a team. Within 60 days following the Merger Closing Date, SBC/Ameritech shall provide notice of the availability of these teams to all Small CLECs certificated and operating in the SBC/Ameritech Service Area.
- c. Within 90 days following the Merger Closing Date, SBC/Ameritech shall identify and discuss in one or more CLEC forums training and procedures that would be beneficial to Small CLECs operating in the SBC/Ameritech Service Areas. Within 120 days